

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF THE APPLICATION  
FOR APPROVAL OF THE PROPOSED MERGER  
OF TRANSAMERICA ADVISORS LIFE  
INSURANCE COMPANY WITH AND INTO  
TRANSAMERICA LIFE INSURANCE COMPANY**

**AID NO. 2019-033**

**ORDER**

A public hearing was held at 2:00 p.m. on May 29, 2019, in the Hearing Room of the Arkansas Insurance Department in accordance with the provisions of Ark. Code Ann. §§ 23-69-142, *et seq.*, and other pertinent provisions of the Arkansas Insurance Code, pursuant to a Request for Approval of Proposed Merger (“Request”), which included the proposed Articles and Plan of Merger, dated April 12, 2019, filed by Transamerica Advisors Life Insurance Company and Transamerica Life Insurance Company (“the Applicants”) seeking approval of a Plan of Merger dated March 27, 2019, whereby Transamerica Advisors Life Insurance Company, an Arkansas domiciled insurer, will merge with and into Transamerica Life Insurance Company, an Iowa domiciled insurer, with Transamerica Life Insurance Company being the surviving corporation and continuing to be domiciled in the state of Iowa. The hearing was held before Chief Deputy Commissioner Russ Galbraith (“Hearing Officer”) pursuant to his appointment by Commissioner Allen Kerr in accordance with Ark. Code Ann. § 23-61-103. The Arkansas Insurance Department (“Department”) was represented by Amanda Capps Rose, Associate Counsel, and Mel Anderson, Deputy Commissioner for Financial Regulation. The Applicants were represented by their attorneys, Brian A. Pipkin and Doak Foster, of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C. The Applicants’ testimony was presented by Bonnie Gerst, Vice President and Head of

Capital Strategy for the Applicants. Also present at the hearing on behalf of the Applicants was Laura Wirth, Director of Acquisitions for the Applicants.

### **FINDINGS OF FACT**

From the Request, related filings, testimony of witnesses, and other evidence presented at the hearing, including exhibits filed in connection therewith, reports and statements on file with the Department, representations of counsel, and other matters and things considered, the Hearing Officer finds that:

1. The Request and related filings were filed herein on April 12, 2019. The parties agree that the Commissioner has jurisdiction of the parties and the subject matter under the provisions of Ark. Code Ann. §§ 23-69-142 –145, and other pertinent provisions of the Arkansas Insurance Code. The Notice of Hearing was given within the time and in the manner required by law and the parties consented to the holding of this hearing at the time and the date stated in the Notice of Hearing.

2. Transamerica Advisors Life Insurance Company, an Arkansas domiciled insurer, will merge with and into its affiliate Transamerica Life Insurance Company, an Iowa domiciled insurer, with Transamerica Life Insurance Company being the surviving corporation and continuing to be domiciled in the state of Iowa, pursuant to the Plan of Merger dated March 27, 2019.

3. All persons attending the hearing were provided the opportunity to present evidence, examine witnesses, and/or offer argument or objection. The Applicants presented evidence and argument through counsel and through the testimony of their representative, Bonnie Gerst.

4. Ms. Gerst testified that, in her opinion:

- (a) The merger is not contrary to law;
- (b) The merger will be fair and equitable to the Applicants and their shareholders;
- (c) The merger will not substantially reduce the security of and service to be rendered to the Applicants' policyholders or the public;
- (d) The competence, experience and integrity of those persons who would control the operation of the Transamerica Life Insurance Company upon the merger are such that it would be in the interest of policyholders and the public to permit the merger.

5. No objections were made at the hearing or otherwise to the proposed merger of the Applicants.

#### **CONCLUSIONS OF LAW**

1. All filings, hearings and other procedures required by law or otherwise deemed appropriate by the Hearing Officer have been duly completed by the Applicants and the Department.

2. The requirements of Ark. Code Ann. §§ 23-69-142 – 145, regarding the proposed merger of the Applicants have been satisfactorily met, the proposed merger will not violate applicable law, none of the conditions specified in Ark. Code Ann. § 23-69-142 as preclusions for the approval of the merger exist, and the Department has completed its review of the proposed transaction.

#### **RECOMMENDATIONS OF THE HEARING OFFICER**

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before him, the Hearing Officer recommends that the proposed merger of Transamerica

Advisors Life Insurance Company with and into Transamerica Life Insurance Company be conditionally approved as provided in the Request and related filings and as described in this Order.



RUSS GALBRAITH  
CHIEF DEPUTY COMMISSIONER  
and HEARING OFFICER

**CERTIFICATION**

I, Allen Kerr, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by Russ Galbraith, Chief Deputy Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this order.

THEREFORE, it is hereby ORDERED, based upon the above and foregoing Findings of Fact, Conclusions of Law and other matters stated herein, the Hearing Officer does hereby approve the proposed merger of Transamerica Advisors Life Insurance Company with and into Transamerica Life Insurance Company, pursuant to and subject to the terms and conditions of the Request and related filings.

**IT IS SO ORDERED this 31st day of May, 2019.**



ALLEN KERR  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS